## REMARKS

Claims 1 – 17 are pending in this application. Claims 1 – 17 reflect the amended claims filed in the PCT Application No. PCT/SG2004/000366, of which the instant application is a national phase filing. Applicants thank the Examiner for his careful consideration of the pending application and the allowance of claims 14 and 15.

## REIECTIONS UNDER 35 USC \$101

In a Non-Final Office Action mailed May 8, 2009, the Examiner rejected claims 1 – 13, 16, and 17 under 35 U.S.C. 101 as being directed to non-statutory subject matter.

With respect to claims 1 – 13, the Examiner states that "the encoding method including steps of extracting, obtaining, classifying and encoding is of sufficient breadth that it would be reasonably interpreted as a series of steps completely performed mentally, verbally, or without a machine". Applicants have amended independent claims 1 and 13 to recite a method "being implemented on a computer". Support for the amendment may be found, for example, in Figure 5 and the corresponding discussion of Figure 5 on page 15, line 22, through page 16, line 2, of the published specification. As the method as now recited is specifically tied to a special purpose machine that performs the recited functions, the claims now fall within a statutory category. Applicants believe that this amendment completely addresses the concerns of the Examiner as stated in the Office Action.

However, Applicants furthermore respectfully disagree with the Examiner that the claims do not "transform underlying subject matter". In particular, amended claim 1 positively recites:

extracting and encoding one or more pictures from the document image; extracting one or more original characters from the document image; encoding the original characters utilizing a library of templates; generating reconstructed characters from the encoded original characters; obtaining a background image by subtracting the pictures and the reconstructed characters from the document image;

encoding the background image; and

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generating the encoded document image from the encoded pictures, the encoded original characters, and the encoded background image.

The amended claim clearly takes an object that can be displayed (a document image) and transforms that object into <u>another</u> object that can be displayed (the encoded document image). As stated in *In re Biliki*, 545 F.3d 943 at 962-963 (Fed. Cir. 2008) (en bane), citing *In re Abele*, 684 F.2d 902 (CCPA 1982):

Thus, the transformation of that raw data into a particular visual depiction of a physical object on a display was sufficient to render that more narrowly-claimed process patent-eligible. We further note for clarity that the electronic transformation of the data itself into a visual depiction in Abele was sufficient; the claim was not required to involve any transformation of the underlying physical object that the data represented. [emphasis added]

Therefore, amended independent claims 1 and 13 meet **both** prongs of the machine or transformation test as outlined in *Bilski*, and, thus, are patentable.

Similarly, Applicants have amended independent claims 16 and 17 to recite "a computer". Support for the amendments may be found, for example, in Figure 5 and the corresponding discussion of Figure 5 on page 15, line 22, through page 16, line 2, of the published specification. The discussion of Figure 5 likewise provides support for the various means claimed that may be found in the modules discussed in the cited paragraphs. No new matter has been introduced as a result of these amendments.

Applicants also note that amended independent claims 16 and 17 similarly meet the "transformation test" as discussed above with respect to amended independent claims 1 and 13.

## OBJECTION UNDER 37 CFR 1.75(c)

With respect to rejection number 6 concerning the form of claims 4 – 6 and 12, Applicants have amended the claims to remove the multiple dependencies. As amended independent claims 1, 13, 16, and 17 include similar limitations to allowed claims 14 and 15, these claims are novel and non-obvious over the prior art. For at least these reasons, dependent claims 2 – 12 are also allowable.

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## Conclusion

In view of the above amendments and remarks, Applicants believe the pending application is in condition for allowance. A one-month Petition For Extension Of Time and the appropriate fee are attached to this paper. If any additional fee is due, please charge our Deposit Account No. 50-1848, under Order No. 023949.0104PTUS from which the undersigned is authorized to draw.

	Respectfully submitted, PATTON BOGGS LLP
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